MANITOBA

# ANNUAL REPORT

1982-83

The Manitoba Water Services Board

84- 3212 /

# ELEVENTH ANNUAL REPORT

# THE MANITOBA WATER SERVICES BOARD

## Year Ending March 31, 1983

# THE MANITOBA WATER SERVICES BOARD

Box 1039, 2022 Currie Boulevard, Brandon, Manitoba. R7A 6A3

Telephone 727-1917


The Honourable Bill Uruski
Minister of Agriculture

Sir:

I have the honour of presenting herewith the Eleventh Annual Report of The Manitoba Water Services Board for the fiscal year ending March 31, 1983, together with the financial statements of the Board for the same period.

Yours respectfully,

E. P. Hudek,
Chairman,
The Manitoba Water Services Board

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# The Manitoba Water Services Board

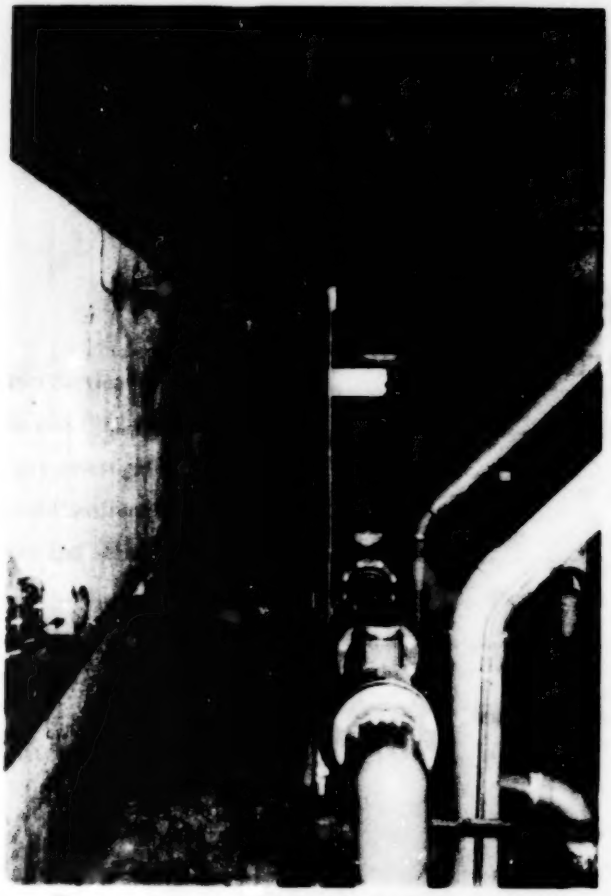
Chairman
E.P. Hudek

Vice-Chairman
T.E. Weber
Director
Water Resources Branch
Department of Natural Resources

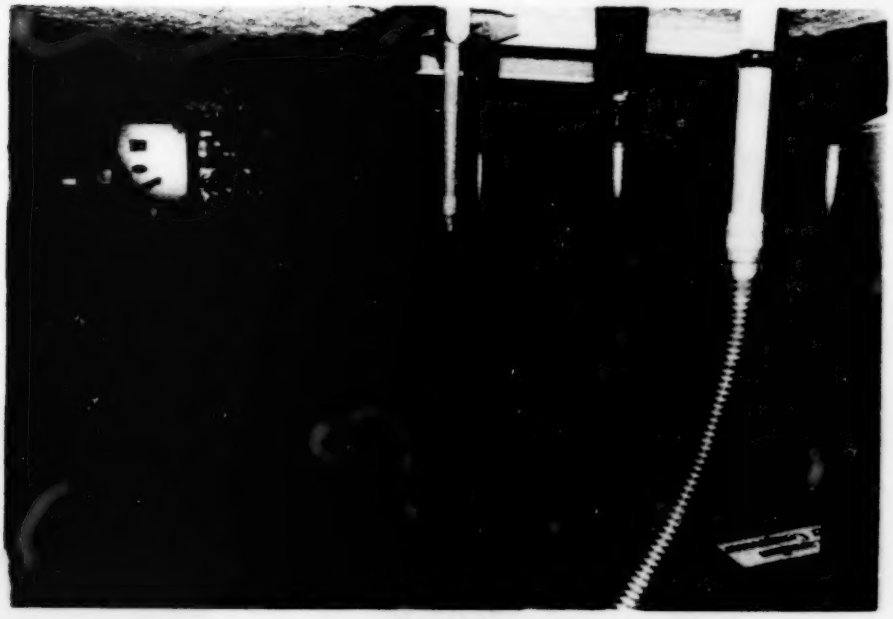
Members
W.G. Bowen
Assistant Deputy Minister
Environmental Management Division
Department of Environment

F.R. Dennis
Director
Municipal Budgets and Finance
Department of Municipal Affairs

G. Jasper
Reeve
Rural Municipality of Sifton



*Souris Sewage Treatment Plant Upflow Clarifier Room*



***Blower Room***

# The Manitoba Water Services Board

The Manitoba Water Services Board was established in July 1972 under The Manitoba Water Services Board Act to assist in the provision of water and sewage facilities to the residents of rural Manitoba. It replaced the Manitoba Water Supply Board, taking over all responsibilities of the former board including the ownership and the operation of 38 water supply installations in the Province.

The Board is composed of representatives of the Departments of Natural Resources, Environment, and Municipal Affairs, and two citizen members. It reports to the Legislature through the Minister of Agriculture.

The Department of Agriculture has requested The Manitoba Water Services Board to amalgamate the staffing and various activities administered by The Manitoba Water Services Board and the Agri-Water Branch of the department. Investigations were initiated with the expressed intent to have the amalgamation completed during the following (1983/84) fiscal year.

## Objectives

The Manitoba Water Services Board has the following specific objectives as outlined in the Act:

a) The obtaining of supplies of potable water for domestic and other uses within the province, and the selling of water to municipalities and water districts.

b) The acquisition or construction and the operation and maintenance of all plants and works necessary for obtaining, collecting, storing, treating, purifying and transmitting water.

c) The transmission of water from a source of supply or a point of storage to a point of acceptance by a municipality or a water district either within or without the municipality or water district.

d) The acquisition or construction and the operation and maintenance of works for the distribution of water.

e) The acquisition or construction and the operation and maintenance of works for the collection of sewage.

f) The acquisition or construction and the operation and maintenance of works for the treatment and disposal of sewage.

The Board can enter into agreements with any municipalities which have become a "declared area" by order of the Lieutenant-Governor-in-Council, under Section 10 of the Act. Once an application is received and the Board has made the necessary physical and engineering investigations, received Treasury Board approval, an Offer is submitted to the municipality for the construction of new works, extensions, and/or improvements to existing works. The works may be owned and operated either by the Board or the municipality.

After the Municipality has received the necessary Municipal Board approvals and the Agreement has been executed, the Board enters into the necessary contracts for design and construction of the works.

The Board provides financial assistance through loans and provincial grants, and indirectly administers the federal grant provided to those municipalities eligible under the federal-provincial Agricultural Service Centres Agreement.

The share of the capital cost of construction to be assumed by the municipality is set at:

1. the capitalized amount which 20 mills on the equalized assessment produces, plus 50 percent of the balance of the project cost. Capital debt on an existing utility and monies obtained from sources other than The Manitoba Water Services Board are taken into account in the calculation;

2. for sewer systems only, the limit is the capitalized amount which 8 mills on the equalized assessment produces, plus 50 percent of the balance of the cost of the works;

3. for water systems only, the limit is the capitalized amount which 12 mills on the equalized assessment produces, plus 50 percent of the balance of the cost of the works.

Operating costs of the system are recovered by charging a rate per thousand gallons on all treated water sold to the municipality.

An agreement between The Manitoba Water Services Board and a municipality will vary in length, however, it is long enough to ensure a stable period of operation for the Board works and to guarantee satisfactory water and sewage service to the community.

# Summary of Services in 1982-83

## Preliminary Investigations

Five more municipal corporations were made "declared areas" and the Board received 37 applications for assistance from individual communities during the year.

A total of 14 engineering feasibility studies were completed. On the basis of these and previously completed studies, the Board submitted 14 agreements for the construction of water/or sewer facilities to new applicants. Amendments to existing agreements were submitted to four communities.

Eleven agreements submitted during this and the previous year, as well as four amended agreements, were signed by March 31, 1983. Estimated costs for these agreements and the dates they were signed are given in the following table:

## Construction Agreements Signed

during the year ending March 31, 1983

| Municipality | Date Agreement Signed | Estimated Capital Cost of Project |
|---|---|---|
| Flin Flon (City) | September 7, 1982 | $ 700,000 |
| Glenboro (Village)-Amendment No. 1 | September 8, 1982 | 210,779 |
| Hanover (R.M.) (Kleefeld) | February 23, 1983 | 10,475 |
| Harrison (R.M.) (Sandy Lake) | October 8, 1982 | 231,390 |
| Miniota (R.M.) (Miniota) | August 24, 1982 | 14,425 |
| Montcalm (R.M.) (St. Jean Baptiste) Amendment No. 1 | October 22, 1982 | 107,776 |
| Neepawa (Town) | June 8, 1982 | 572,000 |
| Ochre River (R.M.) (Village) | November 30, 1982 | 54,800 |
| Portage la Prairie (R.M.) (Oakville) | June 22, 1982 | 175,000 |
| Ritchot (R.M.) (St. Adolphe) | February 16, 1983 | 318,000 |
| Ste. Rose du Lac (Village) | October 27, 1982 | 12,812 |
| Snow Lake (Town) | June 17, 1982 | 1,200,000 |
| Somerset (Village)-Amendment No. 1 | October 5, 1982 | 150,039 |
| Souris (Town)-Amendment No. 1 | June 21, 1982 | 953,428 |
| Virden (Town) | February 15, 1983 | 414,000 |

## Design and Construction

Water and Sewerage Project design and construction activity resulted in total expenditure of about $4.5m, of which approximately $2.2m was contributed by the Province.

Under these provincially funded projects, approximately 100,000 cubic meters of earth was moved in constructing waste stabilization ponds, over 19,000 meters of sewers and 6,000 meters of watermains were installed. In addition, approximately 300,000 litres of water storage capacities were constructed in the form of reservoirs.

In addition, seven projects under the Agricultural Services Centre Agreement saw completion and clean up activities.

## PROJECTS SUBSTANTIALLY COMPLETED WERE:

**Birtle**
- Lift station upgrading
- water treatment plant upgrading
- reservoir pumphouse
- watermain renewals
- water and sewer main extensions
- second river crossing

**Glenboro**
- sewer extensions
- sewer renewals
- waste stabilization pond expansion

**Grandview**
- waste stabilization pond expansion
- forcemain replacement
- water supply pipeline

| | |
|---|---|
| La Salle | — waste stabilization pond<br>— low pressure sewage collection system |
| Miniota | — sewer extension |
| Neepawa (2) | — water distribution line replacement |
| Oakville | — water storage reservoir |
| Rapid City | — water treatment plant<br>— water and sewer extensions |
| Reston | — water and sewer extensions |
| Ritchot Drive | — sewer mains<br>— lift station |
| Riverton | — sewer extension |
| Roblin | — fire pump |
| Russell | — waste stabilization pond expansion<br>— forcemain |
| St. Jean Baptiste | — water main renewals |
| Shoal Lake | — lift station modification |
| Somerset | — forcemain replacement |
| Souris | — sewage treatment plant |
| Stonewall | — water and sewer lines |
| Tyndall | — waste stabilization pond<br>— low pressure sewerage collection system |
| Winkler | — well pump control system |

## PROJECTS UNDER DESIGN OR CONSTRUCTION AT YEAR END WERE:

| | |
|---|---|
| Flin Flon | — water and sewer extensions |
| Neepawa (3) | — water distribution line replacement |
| Sandy Lake | — water and sewer extensions |
| Selkirk | — sewage treatment plant modification |
| Somerset | — waste stabilization pond expansion |
| Snow Lake (1) | — sewage treatment plant<br>— sewage lift station<br>— sewage forcemain |
| Snow Lake (2) | — water and sewer main renewals<br>— water treatment plant |
| Virden | — water storage reservoir |
| Ochre River | — forcemain replacement |
| Kleefeld | — sewer extensions |

Since 1979, under the Canada-Manitoba Northland Agreement, the Board had provided several feasibility studies, pre-designs, design and construction of water and sewerage systems for communities under the jurisdiction of the Provincial Department of Northern Affairs. Effective the beginning of fiscal year 1982-83, this responsibility was returned to the Department of Northern Affairs.

# Operations and Maintenance

Five lime soda ash softening water plants were identified for major upgrading and/or expansion. A consulting firm was hired to prepare feasibility studies and later retained to prepare cost estimates for major upgrading.

Filtration media in five lime soda ash softening plants was replaced with "mixed" media to increase plant capacity.

Eight new water treatment plant operators were trained by MWSB staff in proper plant operation procedures.

Water rate increases were approved for four newly constructed works. Effective April 1, 1983 the rate increases were:

Elm Creek to $4.85
Grunthal to $1.20
Miami to $3.00
Plum Coulee to $6.10
Water rates remained unchanged at Birch River, Cranberry Portage, Lac du Bonnet, Rapid City, Stonewall and Swan Lake. Altona's base rate of $2.10 remains in effect, with the reduced rate remaining at $1.60.

The Board now operates forty-seven water plants, Altona included, with twenty-seven being at the subsidized level of $4.00.

Water rates were also approved for three previously constructed works. Effective April 1, 1983 the rate increases were:

Russell to $3.80
Ste. Rose du Lac to $3.40
St. Claude to $3.60
Water rates remained unchanged at Reston, Winkler, Rossburn, McCreary, Somerset and Notre Dame de Lourdes.

# Sale of Water

| Town or Municipality | Consumption 1982/83 | Consumption 1981/82 | Percent Change | April 1/83 Selling Price 1000 I.G. | Type of Treatment |
|---|---|---|---|---|---|
| Altona (T) | 73,597,000 | 78,848,000 | – 7 | $2.10 | Lime soda softening, fluoridation |
| Argyle (RM) | 5,489,000 | 4,909,000 | + 11 | 4.00 | Iron removal, fluoridation |
| Benito (V) | 6,691,000 | 7,451,000 | – 11 | 4.00 | Iron removal |
| Blanshard (RM) (Oak River) | 2,813,000 | 2,849,000 | – 1 | 4.00 | Iron removal |
| Bowsman (V) | 4,717,000 | 4,679,000 | + 1 | 4.00 | Iron removal |
| Cartier (RM) (Elie) | 6,853,000 | 6,335,000 | + 8 | 4.00 | Zeolite softening, Iron removal |
| Cartwright (V) | 6,529,000 | 6,461,000 | + 1 | 4.00 | Iron & Manganese removal, Zeolite softening |
| Consol (LGD) (Cranberry Portage) | 142,000 | 133,000 | + 6 | *0.13 | Chorination |
| Deloraine (T) | 15,653,000 | 17,140,000 | – 10 | 4.00 | Lime soda softening, fluoridation |
| Erickson (V) | 8,259,000 | 8,643,000 | – 5 | 4.00 | Zeolite softening, fluoridation, Iron removal |
| Ethelbert (V) | 4,918,000 | 5,157,000 | – 5 | 4.00 | Iron removal |
| Franklin (RM) (Dominion City) | 6,203,000 | 6,635,000 | – 7 | 4.00 | Zeolite softening |
| Gilbert Plains (V) | 11,900,000 | 12,349,000 | – 4 | 4.00 | Lime soda softening |
| Gretna (V) | 10,748,000 | 10,866,790 | – 1 | 2.10 | Lime soda softening, fluoridation |
| Grey (RM) | 1,024,000 | 1,149,000 | – 12 | 3.60 | None |
| Grey (RM) (Elm Creek) | 3,684,000 | 3,555,000 | + 3 | 4.85 | Iron removal, Zeolite softening |
| Hamiota (V) | 13,575,000 | 12,808,000 | + 6 | 4.00 | Lime soda softening, fluoridation |
| Hanover (RM) (Grunthal) | 13,571,000 | 11,752,000 | + 13 | 1.20 | Chlorination |
| Harrison (RM) (Sandy Lake) | 4,718,000 | 4,329,000 | + 8 | 4.00 | Iron & Manganese removal |
| Lac du Bonnet (V) | 31,000,000 | 31,557,000 | – 2 | 0.50 | Coagulation, sedimentation |
| Lorne (RM) (Swan Lake) | 21,540 | 23,923 | – 11 | *0.42 | Chlorination |
| Manitou (V) | 14,981,000 | 14,262,000 | + 5 | 4.00 | Lime soda softening, fluoridation |
| McCreary (V) | 11,405,000 | 13,248,000 | – 16 | 3.45 | Iron removal, fluoridation |
| Minitonas (V) | 6,547,000 | 5,940,000 | + 9 | 4.00 | Reverse Osmosis |
| Montcalm (RM) (Letellier) | 6,905,000 | 6,801,000 | + 2 | 4.00 | Lime soda softening |
| (St. Jean Baptiste) | 12,442,000 | 11,968,000 | + 4 | 4.00 | Lime soda softening |
| Mountain (LGD) (Birch River) | 4,916,000 | 4,809,000 | + 2 | 2.08 | Chlorination |
| Notre Dame de Lourdes (V) | 11,279,000 | 10,495,000 | + 7 | 1.00 | Chlorination |
| Pilot Mound (V) | 13,899,000 | 16,828,000 | – 21 | 4.00 | Lime soda softening, fluoridation |

## Sale of Water (continued)

| Town or Municipality | Consumption 1982/83 | Consumption 1981/82 | Percent Change | April 1/83 Selling Price 1000 I.G. | Type of Treatment |
|---|---|---|---|---|---|
| Pipestone (RM) (Reston) | 10,661,000 | 11,454,000 | – 7 | 3.15 | Iron removal, fluoridation |
| Plum Coulee (V) | 8,407,000 | 8,453,000 | – 1 | 6.10 | Lime soda softening |
| Rapid City | 3,990,347 | — | – | 2.50 | Iron & Manganese removal |
| Rhineland (RM) | 5,710,920 | 5,912,000 | – 4 | 2.10 | Lime soda softening, fluoridation |
| Ritchot (RM) (Ste. Agathe) | 4,263,000 | 4,399,000 | – 3 | 4.00 | Chlorination |
| Rosedale (RM) (Kelwood) | 2,463,000 | 2,073,000 | + 16 | 4.00 | Chlorination |
| Rossburn (V) | 13,170,000 | 15,310,000 | – 16 | 3.30 | Iron & Manganese removal, Zeolite softening, fluoridation |
| Russell (T) | 28,066,000 | 30,388,000 | – 8 | 3.80 | Lime soda softening |
| Silver Creek (RM) (Angusville) | 1,980,000 | 2,039,000 | – 3 | 4.00 | Iron removal |
| Somerset (V) | 8,851,000 | 8,702,000 | + 2 | 2.30 | Chlorination |
| Ste. Rose du Lac (V) | 19,514,000 | 20,223,000 | – 4 | 3.40 | Lime soda softening |
| St. Claude (V) | 9,306,000 | 10,130,000 | – 9 | 3.60 | Chlorination |
| Shellmouth (RM) (Inglis) | 2,526,000 | 2,376,000 | + 6 | 4.00 | Iron & Manganese removal |
| Stonewall (T) | 33,305,000 | 33,300,000 | 0 | 0.50 | Chlorination |
| Strathclair (RM) (Strathclair) | 5,548,000 | 5,908,400 | – 7 | 4.00 | Zeolite softening, Iron removal |
| Strathcona (RM) (Belmont) | 4,162,000 | 4,005,000 | + 4 | 4.00 | Iron removal |
| Thompson (RM) (Miami) | 5,326,000 | 5,345,000 | 0 | 3.00 | Iron & Manganese removal |
| Victoria (RM) (Holland) | 5,936,000 | 6,119,000 | – 3 | 4.00 | Iron removal |
| Winchester (RM) | 1,851,000 | 3,065,000 | – 66 | 0.50 | None |
| Winkler (T) | 112,032,000 | 115,752,000 | – 3 | 2.50 | Lime soda softening, fluoridation |
| Winnipegosis (V) | 12,013,000 | 12,581,000 | – 5 | 4.00 | Lime soda softening |
| Woodworth (RM) (Kenton) | 3,132,000 | 3,317,000 | – 6 | 4.00 | Sedimentation, coagulation |

*Price per cubic meter

MANITOBA

**PROVINCE OF MANITOBA**
**PROVINCIAL AUDITOR**

The Manitoba Water Services Board
Report of the Provincial Auditor's Office

We have examined the financial statements, being Exhibits A, B, C and D and Schedules 1 to 3, of The Manitoba Water Services Board for the fiscal year ended March 31, 1983. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of The Manitoba Water Services Board as at March 31, 1983 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting policies stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

W. K. Ziprick, C.A.,
Provincial Auditor.

October 14, 1983,
Winnipeg, Manitoba.

# The Manitoba Water Services Board

Exhibit A

## Balance Sheet

as at March 31, 1983
(with 1982 figures for comparison)

## Assets

| | 1983 | 1982 |
|---|---|---|
| **Current assets:** | | |
| Cash on hand and on deposit with the Minister of Finance | $ 435,095 | $ 41,018 |
| Accounts receivable | 594,781 | 197,638 |
| Grants receivable from the Government of the Province of Manitoba — subsidization of construction costs | 146,741 | 239,822 |
| Accrued interest | 711,451 | 672,000 |
| Prepaid expenses | 30,369 | 31,530 |
| | 1,918,437 | 1,182,008 |
| Debentures receivable from municipalities, Schedule 1 (Note 1b)) | 15,006,702 | 14,207,636 |
| Construction in progress recoverable from municipalities and the Government of the Province of Manitoba (Note 2) | 421,132 | 2,619,262 |
| **Fixed assets: (Note 3)** | | |
| Works, at cost | | |
| Land and easements | 80,977 | 80,977 |
| Buildings and equipment | 5,563,641 | 5,563,641 |
| | 5,644,618 | 5,644,618 |
| Less: Accumulated depreciation | 3,317,787 | 3,133,380 |
| | 2,326,831 | 2,511,238 |
| Accumulated excess of operating expenditures over revenues, recoverable, Exhibit C, (Note 4) | 3,795,918 | 3,882,607 |
| Amortized interest recoverable | 45,894 | 78,388 |
| Total | $ 23,514,914 | $ 24,481,139 |

Approved on behalf of the Board:

## Liabilities

| | 1983 | 1982 |
|---|---|---|
| **Current liabilities:** | | |
| Accounts payable and accrued charges | $ 866,207 | $ 960,871 |
| **Capital debt, Schedule 3: (Note 1b))** | | |
| Advances from the Government of the Province of Manitoba | 14,988,600 | 15,668,052 |
| Advances and debentures — Canada Mortgage and Housing Corporation (Note 6) | 2,830,433 | 2,920,943 |
| Bonds | 5,977,000 | 5,977,000 |
| | 23,796,033 | 24,565,995 |
| **Less sinking fund: (Note 1g))** | | |
| Cash on deposit with the Minister of Finance | 553,514 | 157,635 |
| Investments, at cost, Schedule 2 | 593,812 | 888,092 |
| | 1,147,326 | 1,045,727 |
| | 22,648,707 | 23,520,268 |
| Total | $ 23,514,914 | $ 24,481,139 |

Exhibit B

# The Manitoba Water Services Board

## Statement of Operating Revenues and Expenditures

for the year ended March 31, 1983
(with 1982 figures for comparison)

| | 1983 | 1982 |
|---|---|---|
| **Revenues:** | | |
| Sale of water | $ 1,624,627 | $ 1,595,827 |
| Interest: | | |
| Municipalities | 1,904,206 | 2,044,724 |
| Sinking funds and funds on deposit | 148,649 | 160,983 |
| Grant from the Government of the Province of Manitoba — subsidization of water rates | 616,346 | 475,181 |
| | 4,293,828 | 4,276,715 |
| **Expenditures:** | | |
| Interest: | | |
| Advances | 1,956,397 | 2,363,953 |
| Bonds and debentures | 609,993 | 623,496 |
| Audit and other fees | 14,347 | 22,788 |
| Chemicals | 328,143 | 321,910 |
| Depreciation | 184,407 | 191,795 |
| Salaries and benefits | 611,347 | 542,933 |
| Heat, telephone, light and power | 233,821 | 227,490 |
| Repairs and maintenance | 167,339 | 157,852 |
| Water purchased for resale | 156,872 | 136,700 |
| | 4,262,666 | 4,588,917 |
| Less: Expenditures applied to construction | 55,527 | 340,309 |
| | 4,207,139 | 4,248,608 |
| Excess of operating revenues over expenditures, Exhibit C | $ 86,689 | $ 28,107 |

Exhibit C

# The Manitoba Water Services Board

## Statement of Accumulated Excess of Operating Expenditures over Revenues, Recoverable (Note 4)

for the year ended March 31, 1983
(with 1982 figures for comparison)

| | 1983 | 1982 |
|---|---|---|
| Balance, beginning of year | $ 3,882,607 | $ 3,948,239 |
| Add: Refund of excess revenues over operating expenditures | — | 3,929 |
| | 3,882,607 | 3,952,168 |
| Deduct: Excess of operating revenues over expenditures, Exhibit B | 86,689 | 28,107 |
| Recovery of accumulated excess of operating expenditures over revenues by arrangement with certain municipalities | — | 41,454 |
| | 86,689 | 69,561 |
| Balance, end of year, Exhibit A | $ 3,795,918 | $ 3,882,607 |

Exhibit D

# The Manitoba Water Services Board

## Statement of Changes in Financial Position

for the year ended March 31, 1983
(with 1982 figures for comparison)

| | 1983 | 1982 |
|---|---|---|
| Source of Funds: | | |
| From operations: | | |
| Excess of operating revenues over expenditures, Exhibit B | $ 86,689 | $ 28,107 |
| Add: Non-cash transactions: | | |
| Depreciation | 184,407 | 191,795 |
| Amortization of sinking fund bond discount | 32,494 | 29,712 |
| | 303,590 | 249,614 |
| The Government of the Province of Manitoba: | | |
| Grants — subsidization of construction costs | 2,148,499 | 1,922,708 |
| Canada Mortgage and Housing Corporation: | | |
| Grants — subsidization of construction costs | 156,580 | — |
| Municipalities: | | |
| Debenture principal repayments | 335,985 | 302,941 |
| Construction expenditure recoveries | 3,224,878 | 3,447,574 |
| Recovery of excess of accumulated operating expenditures over revenues | — | 41,454 |
| | 6,169,532 | 5,964,291 |
| Application of Funds: | | |
| Construction of facilities for municipalities | 4,466,878 | 4,278,488 |
| The Government of the Province of Manitoba: | | |
| Advances, net | 679,452 | 1,682,283 |
| Canada Mortgage and Housing Corporation: | | |
| Advances, net | 90,510 | 26,551 |
| Refund of excess revenues over operating expenditures | — | 3,929 |
| Sinking fund payments, net | 101,599 | — |
| | 5,338,439 | 5,991,251 |
| Increase (decrease) in working capital | 831,093 | (26,960) |
| Working capital, beginning of year | 221,137 | 248,097 |
| Working capital, end of year | $ 1,052,230 | $ 221,137 |
| Current assets, Exhibit A | $ 1,918,437 | $ 1,182,008 |
| Less: current liabilities, Exhibit A | 866,207 | 960,871 |
| Working capital | $ 1,052,230 | $ 221,137 |

# The Manitoba Water Services Board

## Schedule of Debentures Receivable from Municipalities

as at March 31, 1983

| Municipality | Number of Debentures | Term | Interest Rates % | Balance |
|---|---|---|---|---|
| Village of Arborg | 5 | October 31, 1983-2000 | 9.25-13.75 | $ 189,591 |
| Village of Benito | 1 | October 31, 1983-1998 | 9.8 | 10,573 |
| Village of Binscarth | 1 | October 31, 1983-1998 | 11.25 | 35,924 |
| Rural Municipality of Birtle | 2 | October 31, 1983-2000 | 11.25-13.75 | 151,920 |
| Town of Birtle | 1 | October 31, 1983-2000 | 18.875 | 65,318 |
| Town of Birtle | 1 | December 31, 1983-2002 | 13.125 | 225,865 |
| Town of Carman | 3 | October 31, 1983-1999 | 9.0-11.25 | 216,564 |
| Rural Municipality of Cartier | 1 | October 31, 1983-1995 | 10.95 | 132,128 |
| Rural Municipality of Coldwell | 2 | October 31, 1983-1996 | 9.8-10.95 | 141,065 |
| Local Government District of Consol | 1 | October 31, 1983-1996 | 9.8 | 57,800 |
| Town of Dauphin | 2 | October 31, 1983-1996 | 9.8-10.95 | 454,443 |
| Town of Deloraine | 3 | October 31, 1983-2000 | 9.8-13.75 | 97,495 |
| Rural Municipality of East St. Paul | 3 | October 31, 1983-1997 | 9.0-10.95 | 153,669 |
| Town of Emerson | 3 | October 31, 1983-2000 | 9.8-13.75 | 49,131 |
| Village of Erickson | 1 | October 31, 1983-1994 | 9.25 | 6,308 |
| Rural Municipality of Eriksdale | 1 | October 31, 1983-1996 | 9.8 | 7,227 |
| Village of Ethelbert | 1 | October 31, 1983-1989 | 11.25 | 8,462 |
| Village of Gilbert Plains | 2 | October 31, 1983-1995 | 9.25-10.95 | 101,426 |
| Town of Gimli | 1 | October 31, 1983-2000 | 13.75 | 93,894 |
| Village of Glenboro | 1 | December 31, 1983-2002 | 13.125 | 104,211 |
| Town of Grandview | 6 | October 31, 1983-2000 | 9.0-13.75 | 130,912 |
| Town of Grandview | 1 | December 31, 1983-2002 | 13.125 | 61,119 |
| Village of Gretna | 3 | October 31, 1983-1995 | 9.8-11.25 | 32,999 |
| Rural Municipality of Grey | 2 | October 31, 1983-2000 | 11.25-13.75 | 377,183 |
| Village of Hamiota | 1 | October 31, 1983-2000 | 13.75 | 18,925 |
| Rural Municipality of Hanover | 9 | October 31, 1983-2000 | 9.0-13.75 | 574,447 |
| Town of Hartney | 1 | December 31, 1983-1988 | 6.645 | 134,333 |
| Village of Lac du Bonnet | 1 | October 31, 1983-1997 | 9.5 | 267,697 |
| Rural Municipality of Lorne | 4 | October 31, 1983-2000 | 9.8-13.75 | 337,770 |
| Rural Municipality of Macdonald | 7 | October 31, 1983-2001 | 9.0-18.78 | 278,074 |
| Rural Municipality of Macdonald | 1 | December 31, 1983-2002 | 13.125 | 146,729 |
| Village of MacGregor | 1 | October 31, 1983-2000 | 13.75 | 22,399 |
| Village of Manitou | 2 | October 31, 1983-1998 | 9.0-11.25 | 85,926 |
| Village of McCreary | 3 | October 31, 1983-1998 | 9.8-11.25 | 28,519 |
| Town of Minnedosa | 4 | October 31, 1983-2000 | 9.8-13.75 | 192,900 |
| Rural Municipality of Miniota | 1 | October 31, 1983-1996 | 9.8 | 14,184 |
| Village of Minitonas | 1 | October 31, 1983-1999 | 11.25 | 89,990 |
| Town of Morris | 2 | October 31, 1983-1998 | 9.0-9.8 | 156,529 |
| Town of Morris | 1 | December 31, 1983-2001 | 13.125 | 76,410 |
| Local Government District of Mountain | 2 | October 31, 1983-1997 | 9.0-9.8 | 136,332 |
| Town of Neepawa | 2 | October 31, 1983-2000 | 9.8-13.75 | 328,857 |
| Rural Municipality of North Norfolk | 3 | October 31, 1983-1996 | 9.25-10.95 | 113,064 |
| Village of Notre Dame de Lourdes | 3 | October 31, 1983-1995 | 9.25-10.95 | 66,117 |
| Rural Municipality of Ochre River | 1 | December 31, 1983-2002 | 13.125 | 11,342 |
| Carried forward | 98 | | | $ 5,985,771 |

# The Manitoba Water Services Board

## Schedule of Debentures Receivable from Municipalities

as at March 31, 1983

| Municipality | Number of Debentures | Term | Interest Rate % | Balance |
|---|---|---|---|---|
| Brought forward | 98 | | | $ 5,985,771 |
| Rural Municipality of Pembina | 1 | October 31, 1983-1989 | 11.25 | 8,899 |
| Village of Pilot Mound | 1 | October 31, 1983-2000 | 13.75 | 22,540 |
| Rural Municipality of Pipestone | 2 | October 31, 1983-2000 | 11.25-13.75 | 47,306 |
| Village of Plum Coulee | 4 | October 31, 1983-2000 | 9.0-13.75 | 272,630 |
| City of Portage la Prairie | 6 | October 31, 1983-2000 | 9.0-13.75 | 1,800,205 |
| City of Portage la Prairie | 1 | December 31, 1983-2002 | 13.125 | 68,744 |
| Rural Municipality of Portage la Prairie | 2 | October 31, 1983-1995 | 9.25-10.95 | 109,319 |
| Town of Rapid City | 1 | October 31, 1983-1998 | 9.8 | 13,286 |
| Rural Municipality of Ritchot | 6 | October 31, 1983-2000 | 9.8-13.75 | 119,653 |
| Rural Municipality of Ritchot | 1 | December 31, 1983-2002 | 13.125 | 4,558 |
| Rural Municipality of Riverside | 2 | October 31, 1983-2000 | 11.25-13.75 | 168,928 |
| Village of Riverton | 4 | October 31, 1983-1998 | 9.0-10.95 | 223,795 |
| Village of Riverton | 1 | December 31, 1983-2002 | 13.125 | 18,029 |
| Town of Roblin | 2 | October 31, 1983-2000 | 11.25-13.75 | 301,024 |
| Village of Rossburn | 5 | October 31, 1983-2000 | 9.0-13.75 | 84,203 |
| Village of Ste. Anne | 2 | October 31, 1983-1996 | 9.8-11.25 | 64,685 |
| Village of St. Claude | 3 | October 31, 1983-1998 | 9.8-10.95 | 53,707 |
| Village of Ste. Rose du Lac | 4 | October 31, 1983-1997 | 9.0-10.95 | 72,613 |
| Town of Selkirk | 6 | October 31, 1983-2000 | 9.0-13.75 | 1,290,365 |
| Village of Shoal Lake | 1 | October 31, 1983-2000 | 13.75 | 166,403 |
| Rural Municipality of Siglunes | 1 | December 31, 1983-2001 | 13.125 | 7,462 |
| Town of Snow Lake | 2 | December 31, 1983-2002 | 13.125 | 187,672 |
| Village of Somerset | 1 | December 31, 1983-2002 | 13.125 | 41,560 |
| Town of Souris | 3 | October 31, 1983-1998 | 9.0-9.8 | 514,220 |
| Town of Souris | 1 | December 31, 1983-2000 | 13.125 | 162,931 |
| Town of Steinbach | 3 | October 31, 1983-1997 | 9.0-10.95 | 88,953 |
| Town of Stonewall | 2 | October 31, 1983-2006 | 9.8-10.95 | 901,220 |
| Rural Municipality of Strathclair | 1 | October 31, 1983-1988 | 9.8 | 33,428 |
| Rural Municipality of Strathcona | 2 | October 31, 1983-2000 | 11.25-13.75 | 45,049 |
| Local Government District of Stuartburn | 3 | October 31, 1983-2000 | 9.8-13.75 | 171,382 |
| Town of Swan River | 3 | October 31, 1983-1997 | 9.0-10.95 | 559,231 |
| Rural Municipality of Tache | 3 | October 31, 1983-1998 | 9.0-10.95 | 28,417 |
| Village of Teulon | 1 | October 31, 1983-2006 | 8.0 | 362,120 |
| Rural Municipality of Thompson | 1 | October 31, 1983-1996 | 9.8 | 141,970 |
| Village of Treherne | 2 | October 31, 1983-1996 | 9.8-11.25 | 152,108 |
| Town of Virden | 3 | October 31, 1983-1998 | 9.8-13.75 | 367,115 |
| Town of Virden | 1 | December 31, 1983-1998 | 13.125 | 18,420 |
| Community of Wabowden (Note 5) | 1 | August 1, 1983-1995 | 9.0 | 220,426 |
| Village of Waskada | 1 | October 31, 1983-1988 | 9.25 | 1,456 |
| Village of Wawanesa | 2 | October 31, 1983-2000 | 11.25-13.75 | 49,260 |
| Town of Winkler | 1 | October 31, 1983-1996 | 9.8 | 22,575 |
| Town of Winnipeg Beach | 2 | October 31, 1983-2000 | 11.25-13.75 | 33,064 |
| | 193 | | | $15,006,702 |

# The Manitoba Water Servic Board

## Schedule of Sinking Fund Investme s

as at March 31, 1983

| Particulars | Interest Rate % | Maturity Date | Par Value | Cost |
|---|---|---|---|---|
| Debentures: | | | | |
| Manitoba Hydro Electric Board | 6 | April 15, 1992 | $ 291,000 | $ 186,276 |
| Manitoba Hydro Electric Board | 8 1/4 | August 31, 1992 | 211,000 | 173,721 |
| Manitoba Hydro Electric Board | 8 3/8 | August 1, 1998 | 111,000 | 76,897 |
| Manitoba Hydro Electric Board | 8 3/8 | December 17, 1998 | 36,000 | 24,205 |
| Manitoba Telephone System | 5 1/2 | November 15, 1983 | 37,000 | 30,833 |
| Manitoba Telephone System | 7 | February 15, 1993 | 148,000 | 101,880 |
| | | | $ 834,000 | $ 593,812 |

# The Manitoba Water Services Board

## Schedule of Capital Debt

as at March 31, 1983
(with 1982 figures for comparison)

| | 1983 | 1982 |
|---|---|---|
| Advances from the Government of the Province of Manitoba: | | |
| 9% payable annually October 31, 1983-1997 | $ 1,775,405 | $ 1,830,882 |
| 9.8% payable annually October 31, 1983-1998 | 1,942,438 | 1,992,499 |
| 11.25% payable annually October 31, 1983-1999 | 1,920,018 | 1,957,904 |
| 9.25% payable annually March 31, 1984-2004 | 1,475,666 | 1,550,290 |
| 9.8% payable annually October 31, 1983-2006 | 1,524,131 | 1,569,411 |
| 9.4% payable annually October 31, 1983-2007 | 40,681 | 41,094 |
| 13.75% payable annually October 31, 1983-2000 | 3,606,742 | 3,654,310 |
| 18.875% payable annually October 31, 1983-2001 | 172,325 | 173,468 |
| Other | 2,531,194 | 2,898,194 |
| | 14,988,600 | 15,668,052 |
| Canada Mortgage and Housing Corporation: | | |
| Advances repayable or convertible to debentures on completion of projects | 452,191 | 462,037 |
| Debentures: | | |
| 7 7/8% payable annually August 1, 1983-1994 | 78,598 | 82,425 |
| 8% payable annually December 1, 1983-1995 | 58,140 | 60,615 |
| 8% payable annually January 1, 1984-1996 | 35,100 | 36,594 |
| 8% payable annually January 1, 1984-1996 | 44,955 | 46,868 |
| 8% payable annually February 1, 1984-1996 | 47,762 | 49,796 |
| 10% payable annually February 1, 1984-1996 | 88,384 | 91,600 |
| 10 3/8% payable annually January 1, 1984-1996 | 114,388 | 118,427 |
| 10 3/8% payable annually January 1, 1984-1996 | 25,220 | 26,111 |
| 10 3/8% payable annually February 1, 1984-1996 | 83,889 | 86,851 |
| 10 3/8% payable annually February 1, 1984-1996 | 55,008 | 56,951 |
| 10 3/8% payable annually February 1, 1984-1996 | 64,278 | 66,548 |
| 10 3/8% payable annually February 1, 1984-1996 | 130,808 | 135,427 |
| 10 3/8% payable annually December 1, 1983-1996 | 126,879 | 130,790 |
| 10 3/4% payable annually August 1, 1983-1996 | 58,757 | 60,510 |
| 10 3/4% payable annually December 1, 1983-1996 | 35,591 | 36,653 |
| 10 3/4% payable annually December 1, 1983-1996 | 16,237 | 16,722 |
| 8% payable annually April 1, 1983-1997 | 13,742 | 14,260 |
| 8% payable annually July 1, 1983-1997 | 781,654 | 807,940 |
| 10% payable annually July 1, 1983-1997 | 30,383 | 31,233 |
| 10% payable annually July 1, 1983-1997 | 21,169 | 21,761 |
| 10 3/8% payable annually April 1, 1983-1997 | 126,045 | 129,930 |
| 10 3/8% payable annually April 1, 1983-1997 | 111,717 | 115,160 |
| 10 3/4% payable annually July 1, 1983-1997 | 157,570 | 161,681 |
| 9 5/8% payable annually February 1, 1984-1998 | 71,968 | 74,053 |
| | 2,830,433 | 2,920,943 |
| Carried forward | $ 17,819,033 | $ 18,588,995 |
| Bonds: | | |
| Canada Pension Plan Investment Fund, subject to prior redemption, guaranteed as to principal and interest by the Government of the Province of Manitoba: | | |
| 5.42% bonds due April 1, 1986 | 2,954,000 | 2,954,000 |
| 7.26% bonds due June 2, 1989 | 3,023,000 | 3,023,000 |
| | 5,977,000 | 5,977,000 |
| | $ 23,796,033 | $ 24,565,995 |

# The Manitoba Water Services Board

## Notes to Financial Statements

for the year ended March 31, 1983

### 1. SIGNIFICANT ACCOUNTING POLICIES

a) Cash on deposit with the Minister of Finance

In accordance with the procedures followed by the Province, the Board's disbursement account was held open until April 20, 1983 for the payment of accounts for liabilities incurred during the fiscal year ended March 31, 1983.

b) Capital debt financing

The Board obtained capital debt financing at fixed interest rates in accordance with approved repayment schedules of advances from the Government of the Province of Manitoba and of debentures payable to Canada Mortgage and Housing Corporation. In turn the Board received cash payments or obtained debentures from municipalities for their share of capitalized costs for plant construction. The debentures were issued in amounts and at fixed interest rates sufficient to discharge the municipalities' share of the corresponding capital debt financing provided by the Government of the Province of Manitoba and Canada Mortgage and Housing Corporation.

c) Accumulated excess of operating expenditures over revenues, recoverable

The accumulated excess of operating expenditures over revenues, recoverable, shown on the balance sheet pertains to plants operated under the following terms:

(A) Plants owned and operated by the Board with cost recovery over a 35 year life. These plants were constructed prior to 1972 under The Manitoba Water Supply Board Act. The Act was amended in 1972 and became known as The Manitoba Water Services Board Act with no further additions under this program. The amended Act provides for grants for rate stabilization by the Province.

(B) The plants operated by the Board under agreements with municipalities which were constructed since 1972 under The Manitoba Water Services Board Act.

d) Administration costs

The costs related to the administration and general operation of the Board are paid out of an appropriation of the Department of Agriculture.

e) Pension costs

The employees of the Board, who are paid salaries out of the appropriation of the Department of Agriculture (Note 1d)), are civil servants and pensionable under the Civil Service Superannuation Fund, to which they contribute at prescribed rates. The Government of the Province of Manitoba is required to pay 50% of the Fund's pension disbursements made to retired employees from its appropriations. No provision is made in the Board's accounts to fund current or past service obligations.

f) Depreciation policy

The Board provides depreciation on a straight line basis for its fixed assets over an 18 year term for equipment and a 35 year term for buildings.

g) Sinking fund

The sinking fund is maintained in accordance with the requirements of the Manitoba Water Services Board Act which prescribes that the Board pay a minimum annual installment to the Minister of Finance of the Province of Manitoba of not less than 1% of the principal amount of the outstanding capital indebtedness on the preceding March 31, together with 4% of the balance in the sinking fund at that date.

Income earned on sinking fund investments is remitted to the Board and is included with interest revenue for the year.

# The Manitoba Water Services Board

## Notes to Financial Statements

for the year ended March 31, 1983

2. CONSTRUCTION IN PROGRESS RECOVERABLE FROM MUNICIPALITIES AND THE GOVERNMENT OF THE PROVINCE OF MANITOBA

The transactions in this account were as follows:

| | March 31 | |
|---|---|---|
| | 1983 | 1982 |
| Balance at beginning of year | $ 2,619,262 | $ 3,884,525 |
| Add: Construction during the year, Exhibit D | 4,466,878 | 4,278,488 |
| | 7,086,140 | 8,163,013 |
| Less: Recoveries during the year | | |
| Municipalities: | | |
| Cash payments received, Exhibit D | 3,224,878 | 3,447,574 |
| Debentures received | 1,135,051 | 173,469 |
| | 4,359,929 | 3,621,043 |
| The Government of the Province of Manitoba, Exhibit D: | | |
| Grants — subsidization of construction costs | 2,148,499 | 1,922,708 |
| Canada Mortgage and Housing Corporation, Exhibit D: | | |
| Grants — subsidization of construction costs | 156,580 | — |
| | 6,665,008 | 5,543,751 |
| Balance at end of year, Exhibit A | $ 421,132 | $ 2,619,262 |

3. FIXED ASSETS

The following is the summary of the Board's fixed assets:

| | 1983 | 1982 |
|---|---|---|
| Land and easements | $ 80,977 | $ 80,977 |
| Buildings | 4,258,488 | 4,258,488 |
| Less: accumulated depreciation | 2,135,693 | 2,012,512 |
| | 2,122,795 | 2,245,976 |
| Equipment | 1,305,152 | 1,305,152 |
| Less: accumulated depreciation | 1,182,093 | 1,120,867 |
| | 123,059 | 184,285 |
| | $ 2,326,831 | $ 2,511,238 |

# The Manitoba Water Services Board

## Notes to Financial Statements

for the year ended March 31, 1983

### 4. PLANTS OWNED AND/OR OPERATED BY THE BOARD

The details of plants operated under A and B as explained in Note 1 c) are set out below:

| | March 31 | | | |
|---|---|---|---|---|
| | 1983 | | 1982 | |
| | No. | Amount | No. | Amount |
| Plants operated under A — owned and operated by the Board: | | | | |
| Plants with an accumulated excess of operating expenditures over revenues, recoverable | 36 | $3,819,159 | 36 | $3,902,040 |
| Plants with an accumulated excess of operating revenues over expenditures | 1 | 30,848 | 1 | 33,375 |
| | 37 | 3,788,311 | 37 | 3,868,665 |

The Manitoba Water Services Board Act requires the Board to fix rates for each plant to recover costs pertaining to the services supplied taking into account grants for rate stabilization provided by the Province of Manitoba to those plants constructed under The Manitoba Water Supply Board Act. The rates set by the Board and approved by the Province are in accordance with tables maintained by the Board which indicate a return of full capital costs and operating deficits based on a 35 year operating life. For the year ended March 31, 1983 rate stabilization grants totalling $616,346 were paid in respect of the operations of 29 of the plants constructed under The Manitoba Water Supply Board Act (1982 — $475,181, respecting 28 plants).

| | March 31 | | | |
|---|---|---|---|---|
| | 1983 | | 1982 | |
| | No. | Amount | No. | Amount |
| Plants operated under B — operated by the Board for municipalities: | | | | |
| Plants with an accumulated excess of operating expenditures over revenues, recoverable | 3 | 41,478 | 4 | 40,912 |
| Plants with an accumulated excess of operating revenues over expenditures | 7 | 33,871 | 5 | 26,970 |
| | 10 | 7,607 | 9 | 13,942 |
| Totals under A and B | 47 | $3,795,918 | 46 | $3,882,607 |

### 5. AGREEMENT, COMMUNITY OF WABOWDEN

Because of the legal status of the Community of Wabowden, the Board has entered into an agreement, in lieu of a debenture, with the Minister of the Department of Northern Affairs who is acting on behalf of the Community. The agreement provides for the recovery of the capitalized costs and interest in accordance with a repayment schedule over a twenty year period ending August 1, 1995.

# The Manitoba Water Services Board

## Notes to Financial Statements

for the year ended March 31, 1983

### 6. ADVANCES — CANADA MORTGAGE AND HOUSING CORPORATION

Advances from Canada Mortgage and Housing Corporation are made on approved projects to The Manitoba Water Services Board on the basis of up to two-thirds of the approved costs of projects under construction. The advances made by Canada Mortgage and Housing Corporation are eligible for forgiveness to the extent of 25% of the principal amount of the loan, and 25% of the interest that has accrued in respect of loan advances to the date of completion of the project. Long term debt financing is being provided by the Province and the Canada Mortgage and Housing Corporation financing obtained during the construction period is repaid.

### 7. CAPITAL AUTHORITY

The Legislature has authorized the borrowing and expending of monies for municipal sewer and water systems. The unexpended amounts as at March 31, 1983 are as follows:

| Legislative Authority | Unexpended balance as at March 31, 1983 |
|---|---|
| The Loan Act 1978 | $2,500,000 |
| The Loan Act 1979 | 1,331,629 |
| The Loan Act 1981 | 1,500,000 |
| The Loan Act 1982 | 2,000,000 |
| | $7,331,629 |

### 8. COMMITMENTS

The Board has signed agreements and offers for the construction of sewer and water systems for municipalities which amount to $5,742,000 as at March 31, 1983 (1982 — $13,789,000). Of this amount, $2,183,000 (1982 — $5,551,000) is expected to be funded by the Government of the Province of Manitoba grants for the subsidization of construction costs with the balance of $3,559,000 (1982 — $8,238,000) to be funded from the Board's Capital Authority (Note 6) which will be repayable by municipalities through debentures (Note 1 b)) or cash payments.

### 9. LITIGATION

The Board is involved in a civil suit with regard to one of its sewer projects. As a result of the Board's claim for damages a counter suit has been filed by one of the contractors claiming damages from the Board totalling $199,000. There has been no provision in the financial statements for such claim.

### 10. DISPUTED CLAIM

The Board has received a claim from the project manager for additional work allegedly performed on another of its sewer projects totalling $614,000. This matter has been referred to arbitration. To date, the Board has not accepted liability for the extra charges and accordingly there is also no provision in the financial statements for these claims.

POOR

QUALITY

ORIGINAL